

DEPARTMENT OF SOCIAL SERVICES

744 P Street, M.S. 19-31
Sacramento, CA 95814



December 18, 1986

ALL COUNTY LETTER NO. 86-131

TO: All County Welfare Directors
All Public and Private Adoption Agencies
All SDSS Adoptions District Offices

SUBJECT: MEDICAID BENEFITS FOR FEDERAL AAP AND AFDC-FC CASES
RESIDING OUT-OF-STATE

This letter requests County Welfare Department (CWD) and adoption agency cooperation in implementing Medicaid eligibility changes for federally eligible Adoptions Assistance Program (AAP) and foster care (AFDC-FC) recipients. These changes affect children placed by California agencies who reside in other states and children placed by other states who reside in California.

The Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) makes several Medicaid eligibility changes for federally eligible AAP and federally eligible AFDC-FC recipients. One of these changes provides that federally eligible AAP and AFDC-FC recipients who reside in a state other than the state responsible for payment of the AAP or AFDC-FC cash grant shall be eligible for Medicaid benefits in the state where the child resides. The AAP or AFDC-FC grant will continue to be paid by the placing state. (Note: In California Medicaid is called Medi-Cal. These federally eligible AAP and federally eligible AFDC-FC cases are also referred to as Title IV-E adoption assistance and foster care cases.)

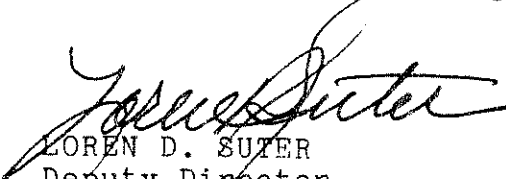
Implementation of the change discussed above is explained in full in All-County Letter Number 86-68 issued by the Department of Health Services. In summary, implementation requires two activities: (1) California CWDs shall issue Medi-Cal cards to recipients of federal AAP and federal AFDC-FC from other states who reside in California upon the request of the child's adoptive family, foster care provider or placing agency; and (2) CWDs shall notify federally eligible California AAP and AFDC-FC recipients residing in other states of the December 31, 1986 termination of California Medi-Cal coverage and of the recipients' eligibility for Medicaid benefits in the state where the recipients reside.

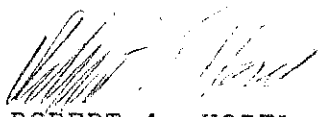
Implementation of both changes will require the active cooperation of adoption agency and CWD child welfare and adoption staff. If Medi-Cal staff prepare the Notices of Action, income maintenance and/or services staff should provide the names of the adoptive or foster parents to use on the Notices of Action as well as the name and telephone number of the social worker whom the family should contact if they have any questions. If Medi-Cal staff do not prepare the Notices of Action, income maintenance staff shall prepare notices of action and notify Medi-Cal staff of the cases to be discontinued from the MEDS system. In all cases Medi-Cal staff will have to manually remove these cases from the MEDS system.

To avoid the inappropriate provision or denial of Medi-Cal benefits to out-of-state California children, counties which have assigned a single aid code (either 03 or 04) to all AAP cases on MEDS or a single aid code (usually either 40 or 42) to all AFDC-FC cases shall assign the appropriate aid code to each case. Zip code errors should also be corrected. For AAP cases, assignment of aid codes is explained in DSS ACL 82-98. Each county is being sent a MEDS listing of its out-of-state AAP and AFDC-FC cases under separate cover with Department of Health Service ACL number 86-68.

It is important to remember that these changes in the provision of Medicaid benefits affect only federal AAP and federal AFDC-FC cases. California state-only AAP and AFDC-FC children residing in other states will continue to be eligible for and to receive California Medi-Cal benefits. Also, these provisions do not affect responsibility for payment of AAP or AFDC-FC grants.

If you have any questions, please contact the Foster Care Program Bureau at (916) 445-0813 (ATSS 485-0813).


LOREN D. SUTER
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ROBERT A. HOREL
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cc: CWDA